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Spotlight ON FOREIGN MARKETING



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TO U.S. AGRICULTURAL ATTACHÉS AND FAS STAFF MEMBERS

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PROGRAM AGREEMENT SIGNED TO PROMOTE U. S. DAIRY CATTLE EXPORTS. FAS has entered into an agreement with the Purebred Dairy Cattle Association to consolidate export sales promotion activities. In the past, the five major dairy breed associations have participated on an individual basis. This agreement will facilitate action by enabling the Purebred Association to act as cooperator with FAS on future projects for dairy cattle, centralizing the efforts of all of the principal dairy cattle associations.

The first project under the program will be to send specialists in dairy cattle classification and registry to Colombia. In addition to working directly with dairy cattle breeders and milk producers in various parts of the country in the interest of herd improvement, they will take part in judging at the Medellin Fair (March 27-29).

The Association's executive committee also approved an additional project to cover audio-visual materials, advertising, publications and surveys intended to build and maintain markets for purebred U. S. dairy cattle. In addition, specialists will travel to many parts of the world where the Association and FAS Dairy and Poultry Division feel that possible markets exist.

U.S.D.A. TO BROADEN TYPES OF RICE SOLD FOR EXPORT. CCC will sell rough rice on a competitive bid basis, with the U. S. buyer (a miller or exporter) required to export equivalent grade and quality as milled, unpolished milled or brown rice. Exports must be to countries other than Cuba and Canada within 6 months from date of sale. Foreign purchasers will deal directly with private U. S. exporters. The exporters can arrange for milling in accordance with the requirements of each individual transaction.

The U. S. exporters will be able to offer more types and grades and also to promote sales under their own brand names. Rice may be packaged according to foreign buyers' specifications.

Previously exports of CCC rice have been confined to U. S. No. 3, 4, and 5 milled rice, if and when available from CCC inventory. This new program is not designed to reduce prices of U. S. rice, but rather to give U. S. millers and exporters added flexibility in expanding commercial export outlets.

Details of the program will be announced shortly by Dallas and Portland CSS Commodity Offices.

FOREIGN FEEDING AND CONSUMPTION OF LIVESTOCK PRODUCTS can use more of U. S. feed grains. Farmers and ranchers are seeking better ways to convert feedstuffs into food. Livestock production is becoming recognized more as a manufacturing process at the same time that more emphasis is being placed on increasing animal efficiency through breeding.

A team of U. S. feedgrain specialists will soon make a marketing survey in several European countries. In seeking new outlets for our feedstuffs, they will emphasize that animal nutrition and ultimately human nutrition are important objectives in efficient livestock production.

MALAYA MAY INCREASE IMPORTS OF U. S. FARM PRODUCTS. The new Federation of Malaya may have more dollars available for imports of U. S. agricultural products. Plans for expanding the country's cotton textile and tobacco industries should tend to increase demand for these items during the next few years. Malaya's chief source of dollars is from exports of tin and rubber. For details see FATP 6-58.

AMERICAN-TYPE CIGARETTES MADE FROM U. S. LEAF will be manufactured in a new plant scheduled to open by mid-58 in Surinam, South America. The new brand will sell for about one half the price of popular cigarettes imported from the U. S. High prices of U. S. cigarettes are maintained under protection of quotas and duties.

NEW FRIENDS AND A NEW MARKET FOR U. S. AGRICULTURAL PRODUCTS may result from filling a request from Government officials in Mozambique to our Agricultural Officer in Southern Rhodesia for seeds to be tested. The action gained prestige which has resulted in obtaining a greater amount of agricultural information on the area from local officials.

A CIRCULAR ON THE EUROPEAN COMMON MARKET has been prepared for distribution. Watch for FAS-M-32, dated February 1958. It states that the Common Market is to gradually create of the six countries an area, free of tariffs and other trade restrictions internally, with a common tariff toward the outside world, and with free movement of capital and labor within the area. The dependent overseas territories of the member countries are to be associated with the Common Market, i. e., their products will in time enter all the Common Market countries without tariffs or other restrictions. They, in turn, will give equal treatment to imports from the Six, though not necessarily tariff-free admission.

To attain the Common Market a transition period of 12 to 15 years is planned. A start on tariff reduction and liberalization of quotas within the area is scheduled for January 1, 1959. The first gradual steps toward the common tariff against the outside world are to be applied on January 1, 1962. In the meantime, the Six will set up the Common Market institutions and spell out in more detail the measures necessary for the implementation of the treaty, including many common tariff rates which have yet to be agreed upon.

CONTINUING THE SAME SUPPORT PRICE FOR 1958 CROP SOYBEANS

may encourage the movement of 1957 soybeans into domestic and export channels. There will now be no reason for delaying purchases on the hope that a reduction in supports would mean that 1958 crop soybeans could be bought next fall at lower prices. Support prices were reduced 6 cents per bushel to 1957 and many buyers may have anticipated a further reduction in 1958. Soybeans sell at prices which reflect supports.

Farmers placed 90 million bushels of soybeans under support programs through January 30, 1958, which is the latest date they were allowed to do so. They have until May 31 to redeem loans.

PERU BUYS U. S. RICE FOR DOLLARS. For the first time in several years Peru is buying a significant quantity of U. S. rice. The order calls for delivery of 15,000 metric tons of CCC milled rice, to be delivered about April 1. The sale was effected on the basis of three-year credit terms made available through U. S. exporters under the CCC Credit Sales Program.

Interest rates under this credit program have been declining in recent months. March rates are listed elsewhere.

CCC MONTHLY SALES LIST FOR MARCH includes the following commodities: Butter, nonfat dry milk, cheddar cheese, cotton (upland and extra long staple), peanuts, corn, wheat, oats, barley, rye, grain sorghums, soybeans, rice (rough and milled), gum rosin, gum turpentine, pea beans, and red kidney beans.

Interest rates per annum under the CCC deferred payment program for March 1958 are 3-1/8 percent for periods up to six months, 3-5/8 percent for periods from over six and up to 18 months, and 4-1/8 percent for periods from over 18 months up to a maximum of 36 months. All interest rates are 1/2 percent lower than last month.

1957 CCC DRY BEAN TAKEOVER will be sold at the higher of the domestic market price or the statutory minimum price, which is 105 percent of the 1957 support rates plus carrying charges. This pricing will apply to both domestic and export sales.

The pricing policy for any CCC-owned 1957-crop dry beans is designed to encourage maximum movement into commercial market channels.

A U. S. RICE TEAM IS IN LATIN AMERICA to study import practices and marketing facilities under a market development project. This group consists of the president and four members of the U. S. Rice Export Development Association, and an FAS rice specialist. The survey will provide information needed by U. S. trade regarding rice importation and local distribution problems.

PHILIPPINES LIFT BAN ON IMPORTS OF VEGETABLE SEEDS. Through efforts of the agricultural attache, vegetable seeds and seedlings have been reclassified from the recent "banned" to essential. Allocations of dollar exchange to importers for these items should now be greater than in other years. U. S. is the leading supplier.

TABLE I, GUIDE TO COMMERCIAL SALES

Commodity	Unit	Grade, Type or Variety	Location	Latest Price Week of 3/14/58	Price Year Earlier
Wheat 1/	Bushel	#2 H. W.	Galveston	\$2.50-2.60	\$2.53-2.58
" 2/	"	#1 S. W.	Portland	2.23	2.61
" 3/	"	#2 S. R. W. Vessel	Baltimore	2.52	2.47
Beans	100#	#1 Gr. Northern	Idaho Points	10.40-10.50	6.60-6.75
Pinto Beans	100#	#1 Pinto	FAS Gulf	7.70	--
Dry Peas	100#	#1 Alaska, Whole	FAS West Coast	4.40	--
Cottonseed Oil	Pound	B.P.S. Y.	Mar. Fut. N. Y.	.1532	.1562
Soybean Oil	"	Refined	New York	.1375	.1600
Cottonseed Oil	"	Crude	Valley	.1325-.1338	.1350-.1362
Soybean Oil	"	Crude	Decatur, Ill.	.1100	.1300-.1312
Linseed Oil	"	Raw	Minneapolis	.1430	.1300
Soybeans	Bushel	#1	Chicago	2.26	2.45
Lard	Pound	Refined 50# tin	Chicago	.1425	.1550
Tallow	"	Prime Inedible	Chicago-FOB	.0775	.06875
Greases	"	Choice White	" "	.0900	.0900
Cottonseed Meal	Sh. Tn.	41% Bagged	Memphis	64.00	54.50
Soybean Meal	" "	44% Bagged	Decatur	58.00	51.75
Milk, Evap.	Case	48-14 1/2 oz.	Pac. Cst. Mkts.	6.10-6.60	5.95-6.30
Eggs, Shell	Doz. Med.	Mixed colors	New York	.4300-.4350	.3100-.3150
" Dried	Pound	Whole	" "	1.17-1.26	.955-1.06
Beef Trimmings	"	75-85% lean froz.	Chicago	.3475	.2425
Beef Hearts	"	Regular frozen	"	.2550	.1250
Beef Livers	"	" "	"	.2900	.1650
Pork Trimmings	"	" "	"	.2300	.1600
Chicken, R. T. C.	"	Gr. A Broilers	New York	.3450-.3800	.3200-.3500
Turkey, R. T. C.	"	Gr. A. Beltsville	" "	.4650-.4800	.4200-.4350
Canned Apricots	Doz. #2-1/2	Choice Halves	FOB-Calif.	3.075	3.15
" Peaches	Doz. #2-1/2	" "	" "	2.60	2.75
" Pears	Doz. #2-1/2	" "	" "	3.25	3.50
Grapefruit Secs.	Doz. #303	Fancy, Lt. syrup	FOB-Florida	1.75	1.60
Orange Juice	Doz. 46 oz.	Sweetened	" "	2.60	2.70
Oranges, Fresh	Std. Ctn.	Size 163	FOB-Calif.	3.57	--
Lemons, Fresh	" "		FOB-Calif.	2.77	2.62
Raisins	Lb. Bulk	Natl. Thompson	FAS-Calif.	.19	.125
Prunes	Pound	80-90	" "	.115-.120	.0975
Apples, Fresh	Box	Ex. Fcy. 138 & lgr.	FOB-Washington	2.60-2.75	4.60-4.75

1/ Export payment all destinations except Latin America and West Indies \$.76; to Latin America and West Indies, \$.73

2/ Export payment - all destinations, \$.56 3/ Export payment - all destinations, \$.76

TABLE II, CCC PORT PRICES FOR EXPORT

Commodity	Unit	Grade, Type or Variety	Port Location	Latest Prices	Date of Sales 1958
Corn	Bushel	Non-storable	Terminal points in Minneapolis, Kansas City & Dallas area	\$.87-3/8 - 1.28-1/4	March 10-14
Peanuts	Pound	Shelled	Gulf	.087 - .114	"
Barley	Bushel	No. 3 & 4	FAS Gulf & N.W. Ports	.91-7/8	"
Oats	"	Heavy White	Minneapolis	.50-5/8	"
Rice	Cwt.	Milled	Gulf	6.00-6.85	"
Butter	Pound		Any U. S. Port	.39 (fixed)	"
Milk	"	Spray	Any U. S. Port	.099 (fixed)	"
Cheese	"	Cheddar	Any U. S. Port	.22 (fixed)	"